
SANTA ROSA ISLAND AUTHORITY BOARD POLICY MANUAL

TITLE: HOTEL INTERRUPTION FEE POLICY
ADOPTED: 10-10-07
DEPARTMENT: ADMINISTRATION

Purpose:

The purpose of this policy is to establish a fee to be applied to existing hotels* in the event the owner(s) tear-down a functional/operational hotel to build a new hotel. If a functional/operational hotel is torn down, the Santa Rosa Island Authority will lose the revenue source/fees generated by the hotel. The revenue is used for Island Authority operations, and the loss would cause a burden to those operations. The following policy will be used to compute the fees required by hotel during the interruption of business. The policy also provides an explanation of the credit the hotels will receive once they become operational.

Policy:

The owner/developer of the hotel to be torn down agrees to pay an amount per year that is equal to the highest annual year fees paid to the Santa Rosa Island Authority within the past five years of business.

The Santa Rosa Island Authority agrees to provide a credit for the annual amounts paid by the hotel per year and an additional lease fee relief of three percent per year. The credits will be provided during the first two years the new hotel is operational, and will be paid in two equal installments on the annual anniversary date of the lease.

*the term hotel includes, but is not limited to establishments named as a lodge, motel, inn, suite, and other titles used in the hospitality industry to identify such establishments.

SANTA ROSA ISLAND AUTHORITY BOARD POLICY MANUAL

TITLE: HOTEL/MOTEL POLICY
ADOPTED: 10-10-07
DEPT: ADMINISTRATION

The following policy is hereby enacted by the Santa Rosa Island Authority and pertains to clarifications of the types of developments that will be approved as a hotel or motel. In order to be approved by the SRIA as a hotel or motel, a hotel or motel development must comply with the standards set forth in this policy and any applicable Escambia County Ordinance.

General Standards

The following standards apply to all hotels and motels on Pensacola Beach. For purposes hereof, the term "hotel" shall be deemed to include the terms "motel", "condo-hotel" and "condotel." Additionally, a "hotel room" is a room, unit, or suite in a hotel that is available for rent on a *daily* basis for transient lodging.

1. *Hotel Licensure; Signage; Daily Rental.* The facility must continuously maintain licensure with the State of Florida as a hotel. It must be advertised and appropriately marked with signage as a "hotel", "motel", "resort", "suites" or other designation consistent with the term "hotel." However owners may use their hotel rooms as otherwise provided herein.
2. *Utility Service.* All hotel rooms within the development must be served by one single meter for utility services. All hotel rooms must be served by a central telephone system whereby no telephone calls can be made directly to a hotel room without going through the hotel operator or attendant. All hotel rooms must be served through the same central cable and/or satellite television system such that each hotel room receives the same television signals as all other hotel rooms in the development.
3. *Standardized Furnishings.* All hotel rooms shall contain and maintain standardized furniture, furnishings, and decor. The furniture, furnishings, and decor shall be substantially similar in form, size and function in all hotel rooms; provided, however, deviations in decorating colors and themes may be allowed as provided in the hotel franchise agreement.

4. *Front Desk.* Each hotel must maintain a central front desk. Entry to hotel rooms must be accomplished by first checking in with and obtaining keys (or pass cards or similar devices) from the front desk.
5. *Lobby; Daily Room Cleaning.* Each hotel must maintain a central, internal lobby that shall be the primary manner of entrance to all hotel rooms. Each hotel must provide daily room cleaning for all hotel rooms that are occupied. Linen and towel changes must be made available to guests and occupants of all hotel rooms at least once every three days of consecutive occupancy.
6. *Management.* Each hotel must be dedicated in its entirety to the complete control and management of a single hotel management company ("manager") for all operations, including the rental of all rooms and units therein. The foregoing notwithstanding, certain components of hotel operations, such as restaurants, bars, lounges, conference facilities, and beach concessions, may be contracted to third parties to administer or sublease provided that the hotel manager is ultimately responsible for such operations and all such components of hotel operations shall be open and made available to the public on the same basis that they are open and made available to any unit owner, guest, or occupant of the hotel. The hotel manager must afford the SRIA with access to all appropriate records and documents necessary or desirable to verify compliance with all standards contemplated in this policy. At least once each calendar year the hotel manager must certify to the SRIA, under penalty of perjury, compliance with all applicable requirements of this policy.
7. *Centralized Reservations.* There shall be one central reservations system for all hotel rooms within each hotel development. There shall be only one reservation system or agency that may make or accept reservations for any hotel room within each hotel. Except when occupied by an owner in accordance with the terms of this policy, all hotel rooms must at all times be placed in a rental program and available for rental by the hotel's single reservation system or agency.
8. *Use as Dwelling Unit Prohibited.* No hotel may contain a dwelling unit. All hotel rooms shall be permanently dedicated to rental to the public for transient occupancy on a full time basis; provided, however, an owner of a hotel room may be permitted to occupy the hotel room as provided in this policy. Hotel rooms may not be used for purposes of establishing homestead; may not be used for home business or occupational uses (and no owner or occupant of a hotel room may obtain an occupational or similar license for home business or occupational uses at the hotel room or unit); and may not be used for purposes of establishing legal residency.
9. *Notice of Use.* All hotel rooms in a condotel or condo-hotel development must be created, sold and maintained with notice in appropriate sales and ownership documentation, including as appropriate, condominium declarations, bylaws, sales brochures, prospectuses, and preconstruction agreements, in form and content approved by the SRIA, that adequately discloses and insures that the

hotel will in all respects be permanently and exclusively operated as a hotel and that no portion thereof will be occupied as a residential dwelling.

10. *Limit Upon Bedrooms and Bathrooms.* Fifty percent (50%) of the hotel rooms, including but not limited to condotels or condo-hotels offered in fractional shares, within a hotel development shall have no more than two bedrooms and two bathrooms. A "bedroom" is a room or articulated room space, including, without limitations, alcoves and lofts, identified as suitable for use as a defined sleeping area distinct from associated internal living space. The characterization of a room or articulated room space as a bedroom shall be determined objectively on the basis of its physical suitability for use as a distinct defined sleeping area, and not on the basis of the manner in which such room or space is denominated.
11. *Effect Upon Lease.* All terms of this policy shall be contractually incorporated as part of the lease of the site of the hotel development. Any violations of the terms and conditions set forth in this policy shall be grounds for termination of the lease. Approval of a hotel development shall be conditioned upon the lessee's execution of an addendum to its lease, in form and content acceptable to the SRIA, in which lessee agrees to the terms of this policy and confirm that any material violation of the standards set forth herein which continue for a period of thirty days following written notice from the SRIA shall be grounds for termination of the lease.
12. *Cooking Facilities and Laundry Facilities.* Except as provided herein, hotel rooms of up to 850 sq. ft. shall not have cooking facilities. However, such hotel rooms may contain kitchenette facilities. For purposes hereof, "kitchenette facilities" shall mean a refrigerator or mini bar having no more than five (5) cubic feet of storage capacity, a microwave oven having no more than three (3) cubic feet of cooking capacity, a coffee maker and sink or as provided in the hotel franchise agreement. Hotel rooms in this category shall not have any clothes washer, clothes dryer or dishwashing equipment, or connections for such equipment, in those hotel rooms. However, common clothes washing and clothes drying facilities available to all occupants and guests of hotel rooms in the hotel may be included as part of the development. There shall be no limitation upon the cooking facilities and laundry facilities that may be located in such hotel rooms over 850 sq. ft.
13. *Owner Occupation.* Owners of hotel rooms may occupy their hotel room for up to twelve weeks per calendar year. All periods of owner occupation or use of hotel room, including but not limited to personal use, use by family or friends, or for purposes of maintenance, etc., and reservation of the hotel room for such purposes without actual use thereof, shall be deemed "owner occupation" for purposes of this policy. Under no circumstance shall owner occupancy of any unit exceed more than twelve weeks in any calendar year.

14. *Lease Fees.* The portion of the current SRIA lease fee schedule of three (3%) percent applicable to revenues derived from rental of hotel rooms shall apply to hotels rooms (unless the lease provides for a larger amount of lease fee, in which event the terms of the lease shall control) excluding condotels or condo-hotels offered in fractional shares. The SRIA fee schedule for condotels or condo-hotels offered in fractional shares is covered in the Santa Rosa Island Fractional Hotel Fee Policy.

15. *Special Exceptions.* Hotels may, under appropriate circumstances, be allowed to obtain special exceptions for increased density; provided, however, the SRIA may require restaurants, conference facilities, or other amenities to be continuously operated as a condition of approving and continued use of the increased density and all such amenities shall be open and made available to the public on the same basis that they are open and made available to any unit owner, guest, or occupant of the hotel.